



Issue Update

Balanced Budget Balanced Budget Balanced Budget

It is hard to miss the message being sent by Government regarding Budget 2004. Then again, why not broadcast good news as loudly as possible. A balanced budget boosts confidence and invites private investment in BC. For the construction industry that is good news indeed. The government is quick to point out that the balanced budget was achieved while maintaining the lowest provincial personal income tax rates in Canada on the first \$64,000 of income and with BC businesses continuing to benefit from some of the most competitive rates in the country. Again, that is good news for construction. As the provincial economy improves, our industry gets busy.

Within the parameters of its new fiscal responsibilities, Budget 2004 provides new opportunities for construction over the next three years by committing to the following:

- \$1.3 billion for infrastructure, \$836 million of which will go to the heartlands;
- dedication of \$200 million to further support improvements in transportation infrastructure;
- beginning work on \$600 million project to upgrade the Sea-to-Sky Highway
- \$17 million to expand the Port of Prince Rupert;
- acceleration of Olympic investment plan including 51 million towards early venue construction;
- \$624 million in capital funding for new construction, equipment and upgrading of existing health facilities;
- increase in allocation from \$8 to \$23 million for seismic upgrades for school and a further \$50 million for major structural upgrades;
- \$442 million in capital funding to school districts to support new construction and upgrading of schools;
- \$665 million capital funding to post-secondary facilities.

Overall the budget indicates that tax-payer supported capital spending will decrease over the next three years from 1.9 billion to 1.6 billion, however, according to Government the decrease reflects completed projects and the impact of P3's on capital spending costs. Self-supported capital spending is expected to increase from 1 billion to 1.3 billion.

The three-year strategic plan for Government focuses on a number of key objectives. Having a skilled workforce in BC high on the list and the construction industry is clearly supportive of this objective. Also on the list are a prosperous economy, fiscal responsibility for Government and employment opportunities for the province. Certainly the messaging is good. Lets hope they can continue to deliver!

LET'S GET BC BUILDING!

The mission of the BCCA is to provide leadership and excellence in the representation of, and service to, British Columbia's construction industry.